

Committee: Council

Date: 16th December 2009

Title: Towards a new management structure

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Agenda Item

11

Item for
decision

Summary

- 1 At their last meeting Members of the Council considered a report on strategic solutions in which a report on the management structure of the Council was promised. This report follows from that meeting and sets out the proposed streamlined management structure needed to deliver changes to services and efficiencies as agreed in the strategic solutions approach and in the face of the economic challenges that lie ahead.

Recommendations

That the Council note the proposed structure

That the Council agree to reduce the number of Directors to two, and that details and timing be delegated to the Finance and Administration Committee.

Background Papers

Reports to Council: "Uttlesford in 2011", 12th December 2006; "General Fund Budget", 9th October 2007 and "Strategic Solutions", 20th October 2009.

Impact

Communication/Consultation	The proposals have been discussed with the officers concerned
Community Safety	None specific
Equalities	Any proposals will need to be the subject of an equality impact assessment
Finance	There will be a net saving
Human Rights	None
Legal implications	None
Sustainability	None

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Ward-specific impacts	All
Workforce/Workplace	The proposals, viewed as part of the overall strategic solutions project, will result in significant managerial changes.

Situation

- 2 The Council's management structure has had several iterations over the last few years in response to altered priorities. Its current structure dates from October 2007 and comprises the Chief Executive, three Directors and the Assistant Chief Executive. They are supported by the Chief Finance Officer and eight Heads of Division, although one post (the Head of Planning and Housing Strategy) is vacant. A diagram of the current structure is appended (Appendix 1). The structure is weighted towards the provision of environmental services and gives less attention to the core business functions.
- 3 That structure is descended from that which was set up in 2006 to manage the Uttlesford 2011 Project, when five Directors, the Assistant Chief Executive and twelve Heads of Division supported the Chief Executive. That project was superseded by the Corporate Plan of December 2007, which carried forward many of its workstreams.
- 4 The Corporate Plan has since been updated and the Council's focus over the past two years has been on its four priorities of finance, partnerships, people and the environment. Good progress has been made in all of these areas.
- 5 The further evolving priorities of the Council, particularly as set out in the various reports on strategic solutions, will also be incorporated into the Corporate Plan for 2010-15. The challenges facing the Council are now more immediate than those at the time of the 2011 project, and it is time to embrace a new management structure that is best placed to respond quickly to the rapidly changing environment that faces local government.
- 6 Without doubt the Council, along with the rest of the public sector, will face significant financial challenges as the Country adjusts to remedy the effects on the economy of the recession. Whichever party wins the next General Election the emphasis for local government will be on encouraging shared working, partnerships and mergers of small councils to some degree or other. There are for example several models of shared management teams between two and more Councils. The Total Place agenda (which is an assessment of all public expenditure in an area, typically a County or Unitary authority, and using that expenditure in a way that addresses the key issues facing the area while making savings) will further encourage Councils and other public services to work more closely together.

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- 7 Given this background the Council will need to move from being a service provider to a service facilitator, providing services in the best way possible to meet needs and costs. This is likely to be a combination of direct provision, partnerships and outsourcing. Rapidly changing external circumstances mean that opportunities will need to be seized as they arise and that requires a smaller, streamlined management team.
- 8 There is as yet no overt appetite for wholesale local government reform but a glance at the map will demonstrate that all of Scotland and Wales, and much of England, now has Unitary Local Government. This takes many forms, such as whole Counties (Wiltshire and Cornwall) right down to former District Councils (the former Berkshire authorities). It is likely that at some time in the medium term the structure of local government will be looked at again. For the time being, however, the Corporate Plan and MTFS, (reflecting the emerging view from various Member workshops plus the Council discussions of the various strategic solutions papers) follow the assumption that the Council wishes to retain its independence as a policy-setting and decision-making authority that makes available value for money services to those who need them.
- 9 The structure of the management team to address these issues is set out in appendix 2. What is proposed is a Chief Executive with two Directors, one focusing on the continued improvement of the Council and the other on the delivery of the Council's services, but in both cases not exclusively. Two Assistant Chief Executives, the Monitoring Officer and s151 Officer, would report directly to the CE, emphasising the importance of good governance and financial management across the board. The Chief Executive would retain the LAALSP functions, emphasising the importance of cross agency working. One Director post would need to be made redundant.
- 10 The management structure below Director level does not require formal member approval but it is important that Members are aware of the proposed structure. Each Director would be supported by two Heads of Division. The main service focus will be on Democracy and Staff, Performance and Customers, Town & Country Planning and Housing & Environmental Health. Achievement of service delivery – whether by partnership, outsourcing, direct provision or sharing, would be a key objective of every member of the Management Team. The scope of the posts of Director and Head of Division will remain as set out in the report to Council of December 2006.
- 11 The Head of Planning post would increase the managerial resource for the planning and building surveying services overall, allowing service managers to concentrate on their services. Four operational and regulatory areas currently represented – Street Care/Waste, Environmental Health, Building Control and Development Control - would not form part of the management team, but the jobs still need to

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be done so no redundancies are envisaged at this level. The service areas are all important and would continue to be reported.

- 12 It is emphasised that this structure is the end product of an evolving process – it will not be imposed from a specific date. Active partnerships are being pursued around Waste/Streetcare, Building Control and to a lesser extent Environmental Health, as set out in the various reports considered by Members on Strategic Solutions. These are in addition to the Revenues and Benefits partnership discussed at the last Council meeting and will be reported in more detail in due course. As those partnerships develop so the structure will adapt, but it is anticipated that the structure will be broadly in place by the middle of the next financial year. It is inevitable that there will be savings arising from the loss of a Director post from the organisation, and indeed these have been factored in to the MTFs at some £90,000 pa, but this is not the primary reason for this review.
- 13 Authority is sought, therefore, at this stage for Council to agree a reduction in the number of Directors from three to two, and to delegate decisions around severance terms to the Finance and Administration Committee. Timing of the implementation of this decision will be dependent on the progress of partnership working around waste and street services, and the speed with which a new Head of Planning can be recruited, but is expected to be in the early to mid part of the next financial year

Risk Analysis

Risk	Likelihood	Impact	Mitigating actions
The Council will not adapt quickly to rapid change in local government	2 The Council has a good awareness of the challenges it has faced and the likely effect of those on the horizon	4 The Council will find itself increasingly isolated in a world where joint working is the key to survival and good service provision	New management structure to reflect the Corporate Plan and the Strategic Solutions projects

1 = Little or no risk or impact

2 = Some risk or impact – action may be necessary.

3 = Significant risk or impact – action required

4 = Near certainty of risk occurring, catastrophic effect or failure of project.